Assembly Bill No. 1290

CHAPTER 34

An act to add Section 32132.8 to the Health and Safety Code, relating to health care districts, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 30, 2015. Filed with Secretary of State June 30, 2015.]

LEGISLATIVE COUNSEL'S DIGEST

AB 1290, Dahle. Health care districts: public contracts: design-build.

The Local Health Care District Law provides for local health care districts which govern certain health care facilities. Each health care district has specific duties and powers respecting the creation, administration, and maintenance of the districts, including to purchase, receive, take, hold, lease, use, and enjoy property of every kind and description within and without the limits of the district.

The Local Agency Public Construction Act establishes bidding procedures for the award of construction contracts by local agencies.

The act authorizes counties, with the approval of the board of supervisors, to use a design-build procedure for building contracts in excess of \$1,000,000.

This bill would authorize the Mayers Memorial Hospital District to use this design-build process when contracting for the construction of a building and improvements directly related to a hospital or health facility building at Mayers Memorial Hospital.

This bill would make legislative findings and declarations as to the necessity of a special statute for the Mayers Memorial Hospital District.

This bill would declare that it is to take effect immediately as an urgency statute.

The people of the State of California do enact as follows:

SECTION 1. (a) The Legislature finds and declares both of the following:

- (1) Utilizing a design-build contract requires a clear understanding of the roles and responsibilities of each participant in the process.
- (2) Cost benefits for health care districts are achieved by shifting the liability and risk for cost containment and project completion to the design-build entity.
- (b) It is the intent of the Legislature that the design-build process be used by health care districts solely for buildings associated with hospitals and

Ch. 34 __2_

health care and not for other infrastructure, including, but not limited to, streets, highways, public rail transit, roads, bridges, water resources facilities, and related infrastructure.

- SEC. 2. Section 32132.8 is added to the Health and Safety Code, to read: 32132.8. (a) Notwithstanding Section 32132 or any other law, upon approval by the board of directors of the Mayers Memorial Hospital District, the design-build procedure described in Chapter 4 (commencing with Section 22160) of Part 3 of Division 2 of the Public Contract Code may be used to assign contracts for the construction of a building or improvements directly related to construction of a hospital or health facility building at the Mayers Memorial Hospital District.
- (b) For purposes of this section, all references in Chapter 4 (commencing with Section 22160) of Part 3 of Division 2 of the Public Contract Code to "local agency" shall mean the Mayers Memorial Hospital District and its board of directors.
- (c) A hospital building project utilizing the design-build process authorized by subdivision (a) shall be reviewed and inspected in accordance with the standards and requirements of the Alfred E. Alquist Hospital Facilities Seismic Safety Act of 1983 (Chapter 1 (commencing with Section 129675) of Part 7 of Division 107).
- SEC. 3. The Legislature finds and declares that a special law is necessary and that a general law cannot be made applicable within the meaning of Section 16 of Article IV of the California Constitution because of the unique circumstances of the Mayers Memorial Hospital District.
- SEC. 4. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to comply with health regulations, seismic requirements, and meet increasing demand for health care services at the earliest possible time, it is necessary that this act take effect immediately.